

CHALLENGE.  
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# Doing Business in a Key Global Market, The UAE - for the State of Delaware.

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# Latest on CV19 in the UAE



As of 21<sup>st</sup> July:

- 7,232 active cases...total of 57,193
- 340 fatalities in total
- 49,621 recoveries in total
- More than 3m tests conducted(population @ 9.8m)
- PPE & key equipment available; zero production
- Lockdown partially lifted; shops & commercial companies gradual re-opening, Open for tourism as of 7<sup>th</sup> July





We bring **global perspective** and a **global network** to our clients



17

Locations worldwide

100+

Staff Globally

4,000+

Client Transactions



# Meet the UAE Team



**11** Regional trade & investment specialists

**70+** Years combined GCC experience

**7** Regional languages spoken



## Sector Expertise

- Training & Education
- Logistics & Transport
- Aerospace & Defence
- Creative Industries
- Business & Financial Services
- Advanced Manufacturing & Engineering
- Tech
- Energy & Petrochemicals
- Consumer & Retail
- Infrastructure
- Healthcare
- Start-ups & SMEs



# Regional Partnerships

**KIZAD - Global Anchor Tenant project (2018-2019)**



**EDB - Global representation since 2016**



**Oman Business Council - Launch strategy; sponsor & member acquisition (2018-19)**

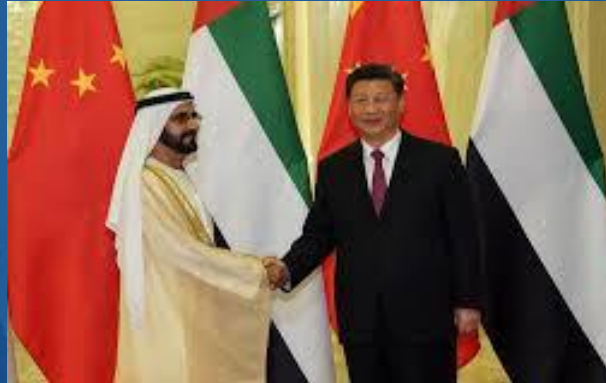


**SAGIA - Sector strategies & propositions; lead generation; MBR world tour (2017-18)**





# General economic issues & opportunities



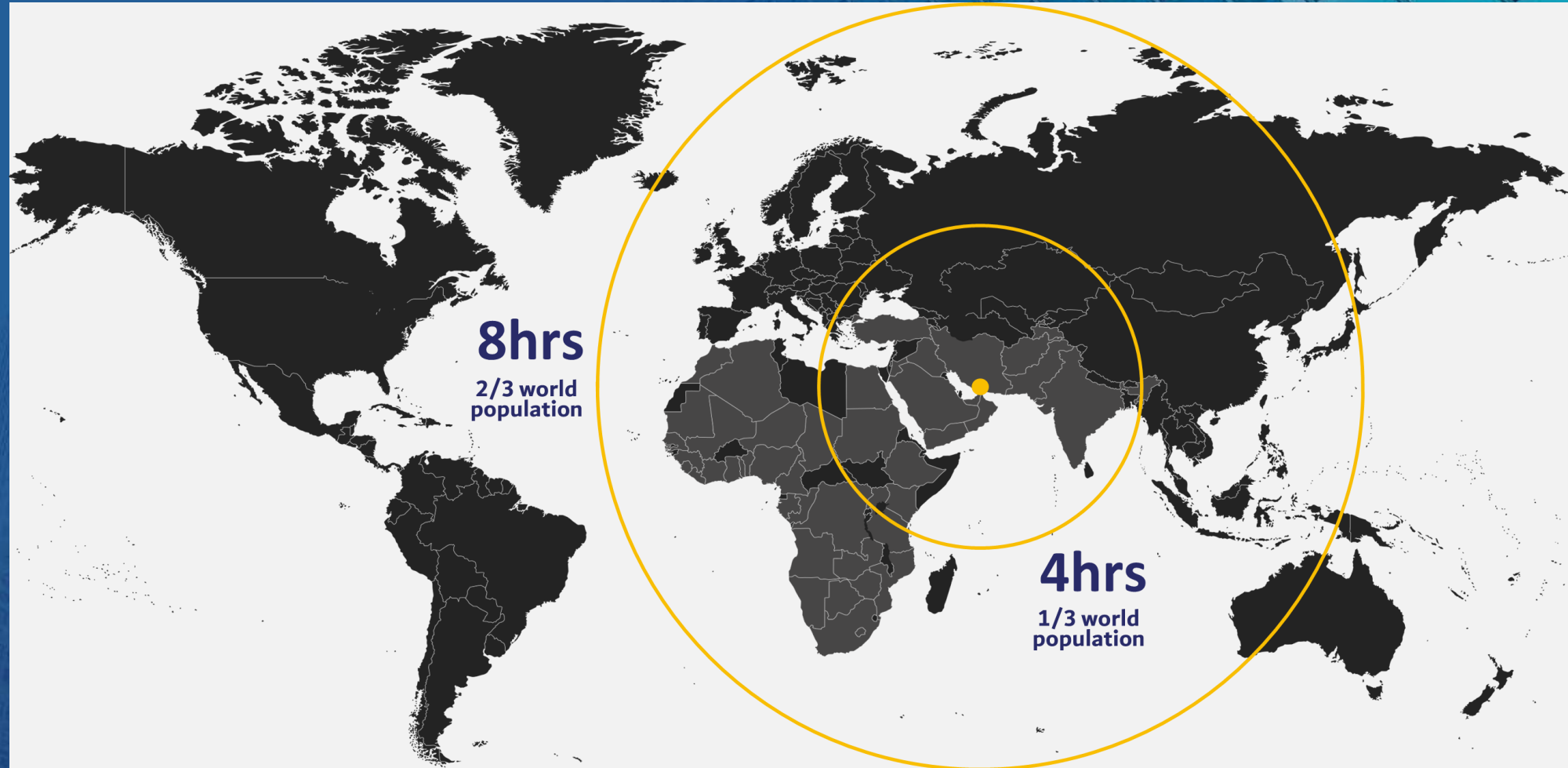
**UAE & China**



**Saudi Arabia**



# Geography & opportunities





# The Gulf Cooperation Council



The Gulf Cooperation Council (GCC), is a regional intergovernmental political and economic union consisting of all Arab states of the Arabian Gulf including Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates.

## Economic Strategies

- Saudi Arabia – Vision 2030
- Oman – Vision 2040
- Qatar – Vision 2030
- Bahrain – Vision 2030
- Kuwait – Vision 2035
- UAE – Vision 2021, 2030





# Regional Opportunities



Today, the governments of the GCC countries undertake successful efforts to diversify their economies away from dependence on hydrocarbon industries.

These diversified growth sectors - such as finance, logistics, aviation, communications, healthcare and tourism - provide abundant business opportunities to foreign firms.

Look beyond buy & sell.

Knowledge transfer; job creation; investment

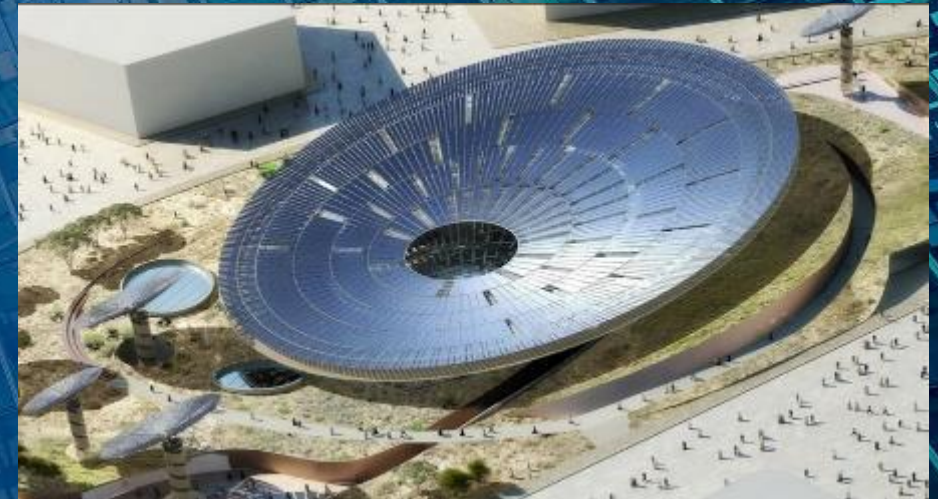


# The big issues & opportunities



## EXPO 2020

- CV19 impact – postponed to 1<sup>st</sup> October 2021
- The first World Expo ever held in the region
- Overall duration of 6 months
- 3 sub-themes – **Opportunity, Mobility & Sustainability**
- 100% ecological project
- 25 million expected visitors\*





# District 2020

- Starts October 2022
- Curated & managed ecosystem
- SMEs, Corporates & Academia
- Anchors so far:  
Siemens, Accenture,  
Merck, Atlas Capital







As the primary legacy from Dubai Expo 2020, District 2020 is supporting the growth of Dubai in key tech-related sectors:

- travel & tourism
- education
- construction & real estate
- logistics & transport





# Healthcare & Life Science sector



- Arab Health - Largest Healthcare exhibition in the MENA region – over 100,000 visitors, with 160+ countries represented
- MENA Healthcare market to be worth US\$ 144 billion by 2020 and US\$ 243.6 billion by 2030
- Healthcare expenditure in the UAE is expected to rise to US\$ 21.3 billion by 2021
- Private sector's share in healthcare spending is expected to reach 33% by 2020
- Shortage of physicians could rise to 150,000 by 2020
- Growing burden of non-communicable diseases
- Medical technology market set to grow





# Healthcare challenges



- Ageing population- from 1.1% over 65yrs to 4.4% by 2030.
- Poor lifestyle habits – fast food, sedentary.
- Keeping up with growing need for clinical staff (shortage of Emirati clinical professionals).
- Cost containment: wastage, culture of prescribing branded drugs.
- Tightening budgets.

## Medical Devices / Equipment

- Regulated by Ministry of Health and Prevention (Federal)
- Online registration via e-services system
- Classification system I to IV

Extract from Medical Device Regulations (2011):

3.1 Where a company (Manufacturer) is based outside UAE, they have to appoint **local representative** to act on behalf of them.

A local representative person is the legal entity licensed by ministry of Health, who has received a mandate from the mother company (manufacture at Country of origin / company that owns the rights of the device marketing worldwide) to act on its behalf with regard to matters pertaining to placing the product in UAE Market and all its registration requirements.



# Health Regulations – Federal level



Ministry of Health & Prevention (MOHAP)

[www.mohap.gov.ae](http://www.mohap.gov.ae)

- Medical device registration
- Drug registration
- Licenses and controls pricing for drugs and devices
- Health services and regulation in the Northern Emirates (16 hospitals, 68 clinics)

Insurance Authority

[www.ia.gov.ae](http://www.ia.gov.ae)

- Regulates and supervises the insurance sector



# Health Regulations – Emirates level



Dubai Health Authority (DHA)

[www.dha.gov.ae](http://www.dha.gov.ae)

- Regulation, licensing, strategy for Dubai.
- Also – operates 4 public sector hospitals.

Department of Health - Abu Dhabi (DOH)

[www.doh.gov.ae](http://www.doh.gov.ae)

- Regulation, licensing, strategy for Abu Dhabi.
- Separate government health operator – SEHA – 12 hospitals.

Sharjah Health Authority – Sharjah (SHA)

[www.sha.gov.ae](http://www.sha.gov.ae)

- Regulation, licensing, strategy for Sharjah.
- Development and management of Sharjah Healthcare City (freezone).



# Market opportunity for US firms



- New builds & projects
- PPP & insurance expertise
- Shortage of healthcare professionals
- Medical Tourism
- Lifestyle disease treatment, management & prevention
- Mental Health
- Digital (robotics, 3D printing)





# Pharmaceuticals sector



- Developing manufacturing sector within UAE but still heavily reliant on imports (approx. 90%)
- Many global companies have a presence in UAE
- Registration of pharmaceuticals – Ministry of Health and Prevention (Federal) via e-services system. <https://www.mohap.gov.ae/en/services/Pages/378.aspx>
- Drug registration procedures in the UAE are stringent and it is difficult for companies without a US Food & Drug Administration (FDA) or European manufacturing license to gain entry to the market.
- Fees for product registration in the UAE are relatively low which reflects the import-reliant nature of the market. Fees depend on the classification and type of medical product.
- Local representative of manufacturer usually handles MOHAP application for drug registration.



# Chemicals sector



- GCC chemical industry achieved a revenue of USD 86.6 billion in 2018
- GCC chemical industry production capacity increased by 13.3mn tons in 2018
- GCC chemical related investment exceeded USD 144.3 billion in the first 10 months of 2019
- Chemical sector is situated mostly in Abu Dhabi – industry developed in line with Abu Dhabi's Economic Vision 2030
- Petrochemicals revenue trends in the UAE had increased by 28.4%, Pre-Covid.
- 77% of the UAE's production capacity were launched in the last decade (2008-2018).
- The UAE chemicals output in 2018 was 14.5 million tons,
  - basic chemicals representing one third (33%),
  - polymers (28%) and
  - fertilizers (30%)



# Leisure sector



- USD 361.6 billion by 2027 - The GCC region travel and tourism sector
- Over 2,000 upcoming hospitality and leisure projects in the GCC
- USD 86.4 billion - value of UAE's leisure-recreation and hospitality projects
- USD 29.8 billion in 2028 - travel and tourism's direct contribution to the UAE's total GDP
- USD 7.85 billion – expected value of the UAE's hospitality market by 2022
- Over 300 regular annual events - Abu Dhabi Grand Prix, Dubai World Cup, etc.
- The Leisure Show - largest exhibition for the leisure, sports, resorts and pool & spa industry in the GCC



# Prepare your strategy for operating in The Gulf

- Its all about planning: poor planning = poor performance!
- Carry out market research to ensure you are entering the market for the right reasons and with the right offer
- Examine every area of your offer: getting enquiries - supplying your services to the right standards - after sales service
- Understand regulatory issues
- US brand positioning





# General market approach for US firms



- Local agent / distributor
  - regulatory
  - exclusivity
  - regional reach
  - just another badge...
- Set-up in market
  - pick a location
  - 40+ free zones in the UAE
  - essential for services / owner's rep for products
- Visit a trade show
  - Africa, Asia, India...
  - real 'trade' shows





# Issues in selecting partners



- Due diligence is essential
- Do visit premises and find out about their work, directors, shareholders and capabilities
- Be wary of granting exclusivity \*
- Do agree a written contract with your chosen agent\*
- Different ways of working in each emirate / country so don't assume one partner will work for the whole GCC



# OCO Incubator Service



- We can set you up in the UAE with a 100% US owned foreign branch company
- In partnership with Dubai FDI & Dubai SME
- 43 companies to date
- Cost effective, low-risk and straight forward option
- Admin, BD & operational support for your business from the OCO team



# What you need to know...



- If you're not here....you're not here
- Invest in legal advice
- Tap into goodwill
- Plan to leave
- Abu Dubai
- Wasta
- Free Zones aren't free
- See you on Friday
- Take a deep breath & smile





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